



**TESTIMONY BEFORE THE
PUBLIC HEALTH COMMITTEE
LEGISLATIVE OFFICE BUILDING
MARCH 7, 2016**

My name is Jennifer Herz and I am Assistant Counsel for the Connecticut Business & Industry Association (CBIA). CBIA has been representing Connecticut's employers for 200 years and today is proud to say the vast majority of our members are small companies employing less than 50 people.

Connecticut's employers are very concerned with the cost and quality of healthcare. In a 2015 survey, CBIA's members, once again, listed healthcare costs in their top 3 greatest concerns.¹ Connecticut's employers contribute to their employees' premiums and rising premiums make it more and more difficult for employers to help pay for their employees healthcare. Equally important, employers' value the bottom line contribution of healthy employees because that means a productive, innovative workforce.

While CBIA is concerned about the cost of new mandates, we also appreciate the potential long term benefits of certain services/procedures. However, without the specific data it is not possible to analyze the cost/benefit impact of any given mandate.

For these reasons CBIA may have concerns with HB 5374 An Act Concerning Dental Insurance Coverage.

Connecticut employers are concerned with Connecticut's high number of existing health benefit mandates because in the aggregate they restrict choice and increase price. And, without data to show the long term cost/benefit of a particular service/procedure it is not possible to determine if the benefit will outweigh the increased cost. While the substance of this bill certainly has merit the problem is that it's being added to a system that is already incredibly costly and is bogged down with *a lot* of mandates. Connecticut outpaces the majority of other states in regards to the number of health benefit mandates. It is nearly universal, among smaller employers and individuals alike, that health insurance is too expensive. *The impact on smaller employers and individuals who are paying for health insurance must be emphasized.*

It is important to be clear whether this bill is intending to mandate that all smaller employers offer dental coverage in their insurance plans or if, instead, the bill is stating if smaller employers choose to offer dental coverage then that coverage will be extended for children from age 18 to 26.

Additionally, it should be noted even if this bill is not considered a "new" mandate there may be a cost to the state if the state employee plan adopts this new coverage. The state employee plan traditionally adopts new state mandated plan requirements even though the state is self insured.

¹ See 2015 Survey of Connecticut Businesses: <http://www.cbia.com/resources/economy/reports-surveys/2015-survey-of-connecticut-businesses/>



State Regulatory Policy Working to Address Cost & Quality

The overall healthcare policy landscape should also be taken into account. There are number of regulatory initiatives that are currently moving forward with the intent of addressing the high cost of healthcare in Connecticut. One of these initiatives was passed by the legislature last year and charged the Lt. Governor's Healthcare Cabinet with looking at cost containment strategies and best practice in other states. Additionally, the State Innovation Model (SIM) is moving forward with its work to address quality and cost of healthcare in the state.

While we certainly agree not all new mandates are cost prohibitive we must also be prudent in adopting new measures and be sure we have all the data to substantively analyze new measures. New mandated procedures/services impact the cost to our smaller employers and the state.

Thank you for the opportunity to offer CBIA's comments.